

State of California
Business, Transportation and Housing Agency
Department of Transportation

AERONAUTICS FINANCIAL MATTERS
Federal Airport Grant Matching Allocation
Resolution: FDOA-2002-09

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CTC Meeting: October 3, 2002

Reference No.: 2.7b - Revised

Original Signed By:
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Chief Financial Officer
October 1, 2002

**AMENDMENT TO FISCAL YEAR 2002-2003 ALLOCATION OF FUNDS TO MATCH
FEDERAL AIRPORT IMPROVEMENT PROGRAM GRANTS**

SUMMARY

The attached resolution proposes to amend the existing delegation for the allocation of state funds to match federal Airport Improvement Program grants because of recent legislation.

RECOMMENDATION

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution FDOA-2002-08, allocating funds for Fiscal Year (FY) 2002-03 to match federal Airport Improvement Program (AIP) grants if the Governor has not vetoed Assembly Bill 2630.

BACKGROUND

In April 2002, the Commission adopted the 2002 Aeronautics Program which includes a set-aside of \$3,100,000 to match AIP grants in FY 2002-03. In July 2002, the Commission adopted a resolution which allows the Department to allocate matching funds at a rate of five percent of an AIP grant for individual projects as requested by airport sponsors per Section 21683.1 of the Public Utilities Code. The existing Commission resolution needs to be updated so that the Department can allocate matching funds in accordance with new legislation.

Assembly Bill 2630 expands AIP Matching to provide all of the local match (10%) when the federal AIP grant is for a "security project" at a "small general aviation airport." This bill became effective in September 2002 as an urgency statute and continues in effect until December 31, 2006. The bill defines "small general aviation airport" as one with fewer than 80,000 takeoffs and landings per year. About 120 airports meet this criterion. "Security projects" are defined as fencing, gates, security lighting, access controls systems, and surveillance systems. No funds were appropriated with this legislation so that this matching increase will come from existing programmed amounts. The Department does not expect that it will have enough funds to fulfill all requests for allocation this fiscal year.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION

**Allocation of Funds to Match
Federal Airport Improvement Program (AIP) Grants**

Resolution FDOA-2002-09

- 1.1 WHEREAS, pursuant to Section 21683.1 of the Public Utilities Code (PUC), the California Transportation Commission is authorized to allocate funds for some or all of the local match for Federal Airport Improvement Program (AIP) grants to certain airports; and
- 1.2 WHEREAS, the Commission sponsored the legislation which enacted PUC 21683.1 in order to maximize the amount of federal airport funds that can be allocated to California; and
- 1.3 WHEREAS, the Federal Aviation Administration requires that airport sponsors certify that matching funds are available as a condition of accepting a federal grant; and
- 1.4 WHEREAS, on April 4, 2002 the Commission adopted the three-year 2002 Aeronautics Program in the amount of \$17,963,000 including a set-aside of \$3,100,000 for AIP Matching grants in Fiscal Year 2002-03; and
- 1.5 WHEREAS, on July 11, 2001 the Commission approved the Capital Improvement Program which is an element of the California Aviation System Plan and lists needed airport improvement projects from all funding sources;
- 2.1 NOW, THEREFORE BE IT RESOLVED, that, regarding federal Airport Improvement Program grants made by the Federal Aviation Administration to public entities in this state from July 1, 2002 through June 30, 2003, with the approval of the Department of Transportation, at such time as the federal grant offer is accepted by the public entity applicant, there is allocated to each applicant from the Aeronautics Account, five percent (5%) of that portion of the grant whose primary benefit is for general aviation in order to provide a part of the local match for the grant in accordance with the provisions of Public Utilities Code Section 21683.1 subsections "a" and "b" or the full local match of the grant for a project eligible under Public Utilities Code Section 21683.1 subsections "a" and "c", until the total of all such allocations equals \$3,100,000; and
- 2.2 BE IT FURTHER RESOLVED, that the Department shall provide Commission staff with monthly status reports on sponsors' matching fund applications that have been approved by the Department.